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1. The EMAG (Első Magyar Gazdasági Gépgyár - First Hungarian Agricultural Machinery Factory) is located on Hunyadi Street 6, Albertfalva.
2. EMAG produces the following agricultural machines: threshing machines, harvesting combines, and tractor plows. The factory formerly made other smaller machines, but does not do so any longer.
3. Two models of threshing machines are manufactured, the so-called "42" and "48". The figures indicate the drum-width in inches. The production capacity is 160 to 200 machines per quarter. The record output was achieved in July and August 1951, when the factory turned out 250 machines in six weeks.
4. Production of harvesting combines began in 1950. The employees were then told that the original model was an American make which had been expertly copied by the Russians. Only six combines were manufactured in 1950. In 1951 the production of 24 machines was originally scheduled, but the number was later increased to 80. This goal was not reached because of the delivery of unserviceable parts by supplying factories. EMAG is the only combine factory in Hungary. In the last few months Soviet engineers have reorganized production on an assembly line basis, as a result of which production is expected to be materially increased in 1952. The Soviet kolkhoz president Yegorov (fna), spent much time at the plant as an adviser and had a hand in all the details. EMAG now turns out six combines in an eight-hour shift, and in special cases even eight. This represents the daily plant capacity, as only one shift is worked.
5. EMAG manufactures heavy tractor plows for "Stalinek" tractors. Data on these are lacking. Production in all cases is primarily for nationalized farms.

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after that for the kolkhozes and cooperative farms. Agricultural machinery for peasant farmers is no longer made. No small horse-drawn machines are manufactured. ✓

6. Another production item is milling machinery of various kinds. EMAG has always manufactured milling equipment, and although its production was stopped, certain adjustments have been in progress during the past month. The planning division for milling machinery has been transferred to the "Mezőgépi" state enterprise, from which it is concluded that this firm probably will take over the manufacture.
7. The former director of EMAG, named Nagy (fnu), was discharged without notice in December 1950, along with all the technical heads of the works. The present director is Josef Sikos, who was formerly a lathe operator. He is popular with the workmen because he defends their interests, even against the AVH. Party agitators and other functionaries get nowhere with him. It is taken for granted that the Party bosses will cut his throat at the first opportunity.
8. Raw Material Supply: Rolled steel sections are delivered by the combine at Ozd. The Lőszgyár foundry supplies steel for axles. The Rákosi Mátyás ("Weiss Manfréd") works deliver semi-finished products, as does also the Győr car factory. The Swedish SKF and its Italian branch supply ball bearings, although for some time now not in sufficient quantity; as a result, inferior Hungarian products have had to be used. Screws and other small items come from East Germany.
9. Raw materials management and allocation is narrowly controlled. The "surplus inventory," which is practically non-existent, has to be reported to the Heavy Industry Ministry every six months. The Ministry's control organization is so oversized and complicated that months are required to get a clear picture of the situation. Raw material allocations are always held up in the last half year on grounds of materials consumed. As a case in point, it happened that when the factory had managed, with great difficulty, to obtain a year's supply of ball bearings, half of it had to be reported to the Ministry as "surplus inventory" and placed at its disposal. The bearings were allocated to other concerns, to the endangering of EMAG's own production.
10. EMAG employs steadily 1,400 to 1,450 workmen. The working day is from 7:00 a.m. to 3:30 p.m. A small number of men are employed in two shifts, but the majority work 48 hours a week in one shift. The average worker gets three forints per hour, or 570 to 600 forints per month. From this the following deductions are made: seven forints for the union, 50 forints for the government loan, nine forints for the newspaper Szabad Nép, three forints for social security, 20 to 30 forints for casual expenses (movies, theatre, badges, decorations, flags, etc.). The total amounts to 89-100 forints, and leaves barely 500 forints. Wages are paid twice a month; on the 28th as an advance, and on the 11th as a final settlement. The workers are dissatisfied and hungry. They are bitter because their wives and children also have to work in order to live. It is some help that the canteen serves cheap food. Helpers can count on a warm meal for two forints daily; higher grade and skilled workers have to pay 4 to 5

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forints for the same food. A breakfast of milk, coffee and bread can also be had, but few of the workers take advantage of it.

11. Political talks are generally held once or twice a week, after working hours. Separate classes are organized, which are disliked. So-called "Blitz meetings" are held at least once a week, at which political and economic questions are discussed, especially the results in connection with plan fulfillment. The midday break in the work day runs from noon until 12:40 p.m. Formerly the men worked until 3:00 p.m. without a break, but this had to be stopped because the hungry workers would not stay after 3:00 p.m. to hear political talks.
12. In addition, Party meetings and Party evenings are arranged which only Party members need attend. About one in every ten of the employees is a Party member by compulsion; very few are convinced Communists. Anyone who fails to participate in a "voluntary" demonstration or mass meetings can expect dismissal. If a worker criticizes conditions, he is arrested by the political police and at best discharged by the judgment of a workers' court which sits officially in the factory. Notations may be made in his work book, as:
 - a. Willful separation; he can hold no position anywhere in the country for six months.
 - b. Dismissal on political or disciplinary grounds; in this case he cannot obtain work anywhere.
 - c. Discharge by mutual consent; a regular discharge, allowing him to work elsewhere.
13. The EMAG is not an armament plant and manufactures no war material or military equipment. By the nature of its machinery equipment, however, it could quickly be converted to armament work. None of the EMAG output is delivered to the Soviet Union.

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